



**STATE BOARD OF EQUALIZATION**

20 N STREET, SACRAMENTO, CALIFORNIA  
(P.O. BOX 1799, SACRAMENTO, CALIFORNIA 95808)

(916) 445-4982

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No. 81/49

April 3, 1981

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 5

Following are brief summaries of selected proposed property tax bills and amendments introduced by the Legislature which relate to assessment practices or Revenue and Taxation law.

**AB 991**

Author: Assemblyman Floyd

Action: Introduced

Date: March 16, 1981

Affected Reference: Amends Section 51282 of the Government Code

This bill would expand the ability of a local agency to cancel a land conservation contract in order to ease severe housing shortages.

**AB 1056**

Author: Assemblyman Bosco

Action: Introduced

Date: March 17, 1981

Affected Reference: Amends Sections 30113, 30213, 30214, 30519, 30600, 30603, and 30610.5 of the Public Resources Code

This bill would redefine "prime agricultural land" for the purposes of the act to further limit the term to land which produces agricultural products which provide a significantly more productive yield within the coastal zone or on lands adjacent to the coastal zone which have a coastal climate and land conditions.

**AB 1100**

Author: Assemblyman Cortese

Action: Introduced

Date: March 17, 1981

Affected Reference: Amends Section 51282 of the Government Code

This bill would expand the ability of a local agency to cancel a land conservation contract for orderly urban development.

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## AB 1319

Author: Assemblyman Marguth

Action: Introduced

Date: March 20, 1981

Affected Reference: Adds Section 51282.1 to the Government Code

This bill would expand the ability of a local agency to cancel a portion of a land conservation contract for limited development, upon a finding that approval of the cancellation would encourage long-term agricultural use of the major portion of the land under contract.

## AB 1320

Author: Assemblyman Marguth

Action: Introduced

Date: March 20, 1981

Affected Reference: Adds Section 1085.1 to the Code of Civil Procedure

This bill would provide that cancellation of a Williamson Act Contract by a local agency is a legislative determination reviewable in an ordinary mandamus action and shall not be reviewable by administrative mandamus.

## AB 1393

Author: Assemblyman Rogers

Action: Introduced

Date: March 23, 1981

Affected Reference: Adds Chapter 3.5 to Part 0.5 of Division 1 of the Revenue and Taxation Code

This bill would further implement the provisions of Article XIII A. It would provide that the right to enter in or upon land in the exploration, development, and production of oil, gas, and other hydrocarbons is a taxable real property interest and shall be separately enrolled from other real property interests. It would also provide that the full cash value of mineral rights and of improvements consisting of producing facilities and equipment shall be separately valued and separately assessed, but shall together constitute an appraisal unit. It would also provide for the assessment and allocation of these mineral rights. This bill would specify that its provisions are not intended to change existing law. This legislation is similar to that introduced last year and intended to revise Board Rule 468.

## AB 1394

Author: Assemblyman Waters

Action: Introduced

Date: March 23, 1981

Affected Reference: Adds Section 755.1 to the Revenue and Taxation Code

This bill would permit comments by specified county assessors on the assessment of property owned by public utilities providing the total utility is confined to one county, and would require the State Board of Equalization to review those comments prior to making a final determination as to those assessments.

## AB 1400

Author: Assemblyman Cortese, et al.

Action: Introduced

Date: March 23, 1981

Affected Reference: Amends various sections of various codes

This bill would provide that the information to be provided in an application for the original registration of a mobilehome or commercial coach must include the mailing address of the owner, legal owner if any, and junior lineholders if any, if different from the business or residence address.

This bill would establish a procedure to permit owners whose mobilehomes have become subject to local property taxation during the period from July 1, 1980, to 60 days following the effective date of the bill, and to permit owners whose mobilehomes will become subject to local property taxation thereafter, to have those mobilehomes excluded from the application of local property taxation and to have them made subject to the Vehicle License Fee Law. It would specify the respective duties of the county assessor and the Department of Housing and Community Development in connection with the reinstatement of those mobilehomes under the Vehicle License Fee Law.

## AB 1419

Author: Assemblyman Kapiloff

Action: Introduced

Date: March 23, 1981

Affected Reference: Amends Sections 62 and 110.1; adds Section 68 and 63 to the Revenue and Taxation Code

This bill would provide that any transfer to a family member shall not be a change in ownership for reassessment purposes. It would also provide that change in ownership does not include any transfer for the purpose of correcting or reforming a deed to express the true intention of the parties. For purposes of this section, "family members" means a spouse, brother, sister, lineal ancestor, or lineal issue.

This bill would provide that those provisions concerning change in ownership shall be applied retroactively for the purpose of determining base year values, but that no escape assessments or refunds shall be levied or made for prior fiscal years.

This bill would further provide that a purchase or change in ownership shall be either the date of execution of the sales agreement, or the date escrow closes, depending on when escrow closes.

## AB 1423

Author: Assemblywoman Bergeson

Action: Introduced

Date: March 24, 1981

Affected Reference: Amends Section 5151 of the Revenue and Taxation Code

April 3, 1981

## AB 1423 (Continued)

Existing law requires counties and cities to pay interest at a specified rate on amounts refunded for particular overpayments of property taxes and provides that the interest shall be computed from whichever of 3 periods provides the longest period. One of those periods is the period which commences with a date preceding by 30 days the date of paying the refund.

This bill would delete that period and substitute therefor the period from the date of the payment of the tax on property subject to a refund as a result of an assessor error in assessing the property to the date of approval of the correction to the tax roll.

## AB 1447

Author: Assemblywoman Moore

Action: Introduced

Date: March 24, 1981

Affected Reference: Adds Sections 4845 and 4856; repeals and adds Section 532.3 to the Revenue and Taxation Code

This bill would give the assessor express authorization, if the statute of limitations has run from the base year, to enroll the proper base year value on the current assessment roll for any error caused by other than an assessor's value judgment and levy an escape assessment correcting the error for all previous years for which the statute of limitations has not expired.

## AB 1506

Author: Assemblyman Filante

Action: Introduced

Date: March 24, 1981

Affected Reference: Adds Sections 229, 6379.5, 17069.9, and 17071.2 to the Revenue and Taxation Code

This bill would assess floating homes in the same manner as real property, but would substitute the 1979 lien date for the 1975 lien date in determining their valuation.

## AB 1521

Author: Assemblyman Floyd

Action: Introduced

Date: March 24, 1981

Affected Reference: Adds Section 532.5 to the Revenue and Taxation Code

This bill would authorize the assessee to pay the taxes on escaped assessments, due to an error which is not that of the assessee, over an 8-year period, and would further provide that no interest or penalties shall be collected as a result of those escaped assessments.

AB 1524

Author: Assemblyman Elder

Action: Introduced

Date: March 24, 1981

Affected Reference: Amends Sections 408, 408.1, 451, and 481 of the Revenue and Taxation Code

Existing law requires the assessor to provide an assessee of property or his representative with information and records, whether or not required to be kept or prepared by the assessor, relating to the appraisal and assessment of the assessee's property; however, an assessee or his representative may not be provided with information and records, other than market data, which also relate to the property or business affairs of another person, unless disclosure is ordered by a court.

Existing law defines market data as any information in the assessor's possession relating to the sale of any property comparable to the assessee's property if the assessor bases his assessment of the assessee's property, in whole or in part, on a comparable sale or sales. It also requires certain specified information, including the consideration paid for the comparable property, to be disclosed by the assessor when providing market data to the assessee.

This bill would delete the required inclusion of the above specified information in any disclosure of market data and would require the assessor to give specified written notice in advance of any disclosure of market data to the person who provided the information which is market data.

This bill would permit the person to whom notice is given, or his or her successor in interest, to enjoin the assessor's disclosure if the superior court to which a petition for an order enjoining the disclosure is made makes certain findings to the effect such disclosure would expose the owner to unfair competitive disadvantage.

This bill would preclude the inclusion in the list of transfers of any information furnished in the change in ownership statement if the change in ownership statement does not include a description of the consideration paid for the property or the terms of the transaction.

AB 1535

Author: Assemblyman Naylor

Action: Introduced

Date: March 24, 1981

Affected Reference: Makes various changes to the Public Resources Code

This bill would require local government to enter into a contract with any person, who owns prime agricultural land or land suitable for agriculture within the coastal zone designated as such in the local coastal program and who petitions the local government having jurisdiction over the land, under the California Land Conservation Act of 1965 to use the land for agricultural purposes. It would provide for specific conditions and terms of any contract entered under these provisions. It would require the local

## AB 1535 (Continued)

programs to incorporate the provisions of the bill as a procedure to maintain prime agricultural lands in agricultural production and to provide for the converting of other lands suitable for uses to nonagricultural uses, and provide that in the event an owner of any of this land does not execute a contract pursuant to these provisions, then any application for division or conversion to a nonagricultural use shall be considered as an amendment of a local coastal program.

The bill would specify that nothing in the act shall deny the right to any person who owns prime agricultural land or any other land suitable for agriculture within the coastal zone which is designated as such in the local coastal program or by the California Coastal Commission from deeding one parcel, not to exceed one acre in size, for the purpose of constructing a single-family dwelling for a child of the owner of this land.

The bill would also redefine prime agricultural land by deleting from its definition, land which has returned from the production of unprocessed agricultural plant products a prescribed annual gross value for a designated period.

## AB 1539

Author: Assemblyman Harris

Action: Introduced

Date: March 24, 1981

Affected Reference: Amends Section 1152 of the Revenue and Taxation Code

Under existing property tax law, the allocation formula to be used by assessors with respect to certificated aircraft excludes from the computation of the time in state factor, all air and groundtime that certificated aircraft have spent within the state prior to the aircraft's first revenue flight.

This bill would expand this exclusion to also include all groundtime that certificated aircraft have spent within the state in excess of 12 consecutive hours.

## AB 1560

Author: Assemblyman Greene

Action: Introduced

Date: March 25, 1981

Affected Reference: Amends Section 71 of the Revenue and Taxation Code

Existing law limits ad valorem taxes on real property to 1 percent of the full cash value of such property, "Full cash value" is defined to be the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value" or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.

## AB 1560 (Continued)

This bill would specify that the date of completion of a portion of newly constructed property is the date that the portion is available for use.

## AB 1599

Author: Assemblyman Levine

Action: Introduced

Date: March 25, 1981

Affected Reference: Amends Section 71 of the Revenue and Taxation Code

This bill would specify that the date of completion of new construction shall be the date the property or any portion thereof is available for use. It further specify that, in the case of commercial or industrial property that is newly constructed and intended for use by the owner or primarily intended for rental to tenants, the availability of use of that property shall be deemed to have commenced upon the occurrence of the earlier of 2 specified events.

## SB 603

Author: Senator Johnson

Action: Introduced

Date: March 16, 1981

Affected Reference: Adds Section 61.1 to the Revenue and Taxation Code

This bill would provide that the renewal or extension of a grazing lease on tax exempt real property shall not be a change in ownership.

## SB 794

Author: Senator Johnson

Action: Introduced

Date: March 20, 1981

Affected Reference: Adds Section 214.11 to the Revenue and Taxation Code

Property owned by an organization meeting certain requirements which is used exclusively for religious, hospital, or charitable purposes is exempted from property taxation.

This bill would include within that exemption specified property in Butte County owned by a nonprofit corporation and used exclusively as an agricultural experimental station if it also complies with existing statutory requirements established for the welfare exemption.

## SB 804

Author: Senator Johnson

Action: Introduced

Date: March 20, 1981

Affected Reference: Amends Section 5400 of the Vehicle Code

## SB 804 (Continued)

Under existing law, certain mobilehomes which are subject to local property taxation are subject to vehicle registration only at the time of initial sale, resale, or transfer of title.

This bill would provide that on and after July 1, 1982, those mobilehomes shall be subject to vehicle registration, at the time of initial sale, resale, or other transfer of title, by the assessor in the county where the mobilehome is sited.

## SB 836

Author: Senator Boatwright

Action: Introduced

Date: March 23, 1981

Affected Reference: Amends Section 51282 of the Government Code

This bill would expand the ability of a local agency to cancel a land conservation contract if the land was planned and zoned for development subsequent to entry into the contract, and would provide that cancellation by a local agency is a legislative determination.

## SCA 22

Author: Senator Johnson

Action: Introduced

Date: March 20, 1981

Affected Reference: Adds Section 5.5 to Article XIII of the Constitution

This measure would provide that whenever the Legislature, state agency, or state commission not elected by the voters of the area imposes a moratorium on the development of land, the Legislature shall exempt the land from all taxes, fees, and assessments imposed after the moratorium is put into effect until the moratorium is removed. It also authorizes the refund of all taxes, fees, and assessments paid since the land was subject to a moratorium on development and would require the Legislature to reimburse each local government for revenues lost and costs incurred as a result of the exemption.

## AB 11

Author: Assemblyman Lockyer

Action: Amended in Assembly

Date: March 30, 1981

Affected Reference: Adds Sections 97.1, 17069.6, 17071.1, 23603, and 24271.1 to the Revenue and Taxation Code

This legislation would divert the property tax revenue from the 1978-79 unsecured roll that was collected or is to be collected in excess of the 1979-79 secured roll rates to the State General Fund via school



## AB 11 (Continued)

districts for 1982-83 only. All taxpayers paying this increased amount would be entitled to a tax credit on their state income tax up to specified limits, depending upon the type of the taxpayer's property.

## AB 1553

Author: Assemblyman Elder

Action: Introduced

Date: March 25, 1981

Affected Reference: Amends Section 441 of the Revenue and Taxation Code

Existing law requires the assessor to use certified or registered mail in giving notice to persons owning taxable personal property that their signed property statement has not been received by the assessor within the statutory time.

This bill would authorize the assessor to also use first class mail in giving the required notice.

## AB 1597

Author: Assemblyman Bates

Action: Introduced

Date: March 25, 1981

Affected Reference: Adds Part 23 to Division 2 of the Revenue and Taxation Code

This bill would tax producers of oil at 6 percent of gross market value for the privilege of severing oil on or after January 1, 1983. The tax would be in addition to ad valorem property taxes or any yield tax imposed in lieu of an ad valorem tax.

## AB 1603

Author: Assemblyman Filante

Action: Introduced

Date: March 25, 1981

Affected Reference: Amends Sections 442, 1604, and 2610.5; adds Section 619 and 441.5 to the Revenue and Taxation Code

Under existing law, every person owning taxable personal property having an aggregate cost of \$30,000 or more must file a written property statement with the assessor on a prescribed form.

This bill would provide that in lieu of completing the prescribed property statement form the taxpayer may furnish the information required to the assessor as attachments to the property statement provided that 1 copy of the property statement is executed by the taxpayer and carries appropriate reference to the data attached.

## AB 1603 (Continued)

Existing law requires the assessor, upon or prior to completion of the local roll, to inform any assessee of an increase in the assessed value of property, or, in the alternate, to inform each assessee of property of the assessed value of the property as it shall appear on the completed roll.

This bill would require the assessor to provide that notice at least 30 days prior to completion of the local roll, and would also require that the information given by the assessor to the assessee include separate values for land and improvements.

This bill would provide that if the county assessment appeals board fails to hear evidence on the application for reduction in assessment of property within 1 year of the formal filing of said application, the taxpayer's opinion of market value as reflected on the application for reduction in assessment shall prevail as the basis upon which taxes are to be levied, unless the taxpayer and the county assessment appeals board mutually agree in writing to an extension of time for the hearing.

## SB 227

Author: Senator Sieroty

Action: Amended in Senate

Date: March 30, 1981

Affected Reference: Various sections of various codes

Existing law provides for an Office of Appraisal Appeals within the State Board of Equalization, to provide an assessor with an independent and impartial review of appraisals.

This bill would abolish the office and make conforming changes in the law.

Existing law provides that the board shall make surveys in each county and city and county to determine the adequacy of the procedures and practices employed by the assessor in the valuation of property, as specified at least once in 6 years.

This bill would require the survey to be made at least once in 4 years and would, in addition, provide that the board may conduct periodic statewide surveys limited in scope to specific topics, issues, or problems requiring immediate attention. It would further provide that these surveys may be made whenever the board deems it necessary and would not require a response from the county assessor.

Existing law provides that the board may establish an appraisal commission in any county if the information obtained by the board, shows a deviation, as specified.

This bill would provide for the establishment of an appraisal commission if the information obtained by the board shows one is necessary to bring the assessment roll into conformity with state law.

April 3, 1981

SB 227 (Continued)

Existing law requires the board to make a survey, not less often than triennially, in each county to determine the total full value of all locally assessable property as of the lien date for the roll which is current when the survey is commenced. As a basis for this determination, the board is required to ascertain the full value of a sample of locally assessable property as specified.

This bill would eliminate the requirement that the survey be conducted not less than triennially, and would require the board to ascertain the base year and taxable values of those properties. It would require the board, after completion of these surveys, to notify the assessor of the appraisal values. Furthermore, it would allow the assessor to discuss the appraisals with the board's appraisers and would require the board to establish an appeals procedure for the adjustment of any appraisal examined and discussed.

SCA 24

Author: Senator O'Keefe

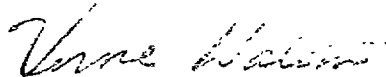
Action: Introduced

Date: March 25, 1981

Affected Reference: Adds Subdivision (s) to Section 3 of Article XIII of the Constitution

This measure would exempt from property taxation property which is used as a day care facility.

Sincerely,



Verne Walton, Chief  
Assessment Standards Division

VW:sk

Enclosure

Copies of bills may be ordered from:  
Legislative Bill Room, State Capitol, Room 1149, Sacramento 95814